



September 30, 2021

CBD Global Sciences to Acquire Resinosa LLC, a Colorado CBD Processing and Manufacturing Company

Denver, Colorado, September 30, 2021 – CBD Global Sciences, Inc. (**OTC: CBDNF**) (**CSE: CBDN**) (**Frankfurt:GS3**), “**CBD Global**” or the “**Company**”), is pleased to announce that it has executed a definitive agreement for the acquisition of 100% of Resinosa LLC, a CBD company located in Silver Cliff Colorado (the “**Acquisition**”).

Resinosa has been in business in the CBD industry for over 6 years and is a vertically integrated company with expertise in hemp genetics, cloning, farming, harvesting, processing and manufacturing of finished products. Resinosa owns a commercial clean-room facility that is registered with the Food and Drug Administration, is certified under stringent current Good Manufacturing Practices (cGMP) standards and has been outfitted specifically for processing hemp and manufacturing health and wellness products such as food, dietary supplements and topical products. Resinosa is licensed as a Manufactured Food Facility with the Colorado Department of Health and the Environment and the City of Denver, Colorado for shelf stability of their products. Located in a low cost of living area, Silver Cliff presents a cost advantage when it comes to processing and manufacturing products.

With its current assets, Resinosa can conduct extraction and processing operations on hemp biomass to produce 1,320 kilos of full spectrum CBD oil per month. That amount of full spectrum oil can be formulated into an estimated retail value of \$46,200,000.00* of finished products per month. Resinosa’s primary business is supplying companies with branded CBD finished products, referred to as private label or white label. Their clients include companies specializing in medical grade products, pet and veterinary products, CBD cosmetic products, farmers with their own brands and companies who add CBD products to their existing businesses such as spas and biofeedback centers.

Resinosa’s CEO and founder Jeff Hays, holds a Master of Business Administration from the University of Southern California and a B.S. in Civil Engineering from the University of Arizona. The company’s Vice President of Quality Control and General Counsel, Kathy Hays, is an attorney licensed in three states and holds a Juris Doctor degree from Loyola Law School, an M.S. in Systems Management from the University of Southern California, and a B.S in Aerospace Engineering. Both Mr. and Mrs. Hays served in the U.S. Air Force – Jeff as a pilot and engineer and Kathy as a space launch expert.

*Based on a 22-day work month, one eight-hour shift per day with current staff and equipment. Assumes finished product sold with an average MSRP of \$70 at two grams of CBD per unit sold. This is strictly an example of current production ability.

Resinosa's Director of Operations, Jared Baker, holds a degree in Fire Safety from Oklahoma State University. The company's chemist, Rebecca Collins, holds a B.S. in chemistry from the University of Texas and has experience in the pharmaceutical industry. Their chef, Shane Dean, was professionally trained at Le Cordon Bleu in Scottsdale, AZ. Resinosa's Compliance Manager, Jimmie Faye Mowery, was trained in the pharmaceuticals industry and ran her own CBD products brand.

The definitive agreement for the Acquisition was executed on September 29, 2021 after six months of due diligence and discovery between both companies. The transaction consists of the initial issuance of 5,378,657 Class A Common Shares ("**Common Shares**") and 99,889 Series A Preferred Shares ("**Preferred Shares**") of CBD Global. 4,280,972 of the Common Shares shall be escrowed and released in equal monthly amounts over a 24-month period.

The vendors will also be issued a two-year convertible note in the principal amount of \$1,500,000.00 USD with interest accruing at 8% per annum (the "**Note**"). The Note is convertible into units of CBD Global ("**Units**"), each unit consisting of 0.35 Common share and 0.0065 Preferred Shares, at a conversion price of \$0.267 USD per Unit. This Note will be interest only for the 24-month period with a balloon payment at maturity and interest will be payable in Units at the strike price.

In addition, CBD Global shall issue to the sellers:

- (a) up to an additional 4,388,906 Units no later than April 30, 2023 if greater than \$500,000.00 USD of net income (earnings before interest, taxes, depreciation, and amortization or EBITDA) (excluding any approved capital expenditures) is achieved from the Resinosa assets and business in fiscal 2022 as confirmed by the audited financial statements of Resinosa. This issuance shall be reduced to 2,194,453 Units if the net income number is greater than \$250,000 USD but less than \$500,000 USD for the same period; and
- (b) up to an additional 4,388,906 Units no later than April 30, 2024 if greater than \$1,000,000.00 USD of net income (earnings before interest, taxes, depreciation, and amortization or EBITDA) (excluding any approved capital expenditures) is achieved from the Resinosa assets and business in fiscal 2023 as confirmed by the audited financial statements of Resinosa. This issuance shall be reduced to 2,194,453 Units if the net income number is greater than \$500,000 USD but less than \$1,000,000 USD for the same period.

Concurrently with closing of the Acquisition, the board of CBD Global has approved the appointment of Jeff Hays to the board of directors of the Company.

Closing of the Acquisition remains subject to final due diligence by both parties, to be completed on or before October 14, 2021. Closing is anticipated to occur on or before October 15, 2021.

Brad Wyatt, CEO of CBD Global Sciences shared "Throughout my many years in corporate and private company management I found it critical to surround myself with extremely smart and talented people. I've been able to get to know and respect the team that Resinosa brings to the table and am ecstatic to see them join the CBD Global family. This acquisition is strategic in nature and will dovetail nicely into the supply chain with Legacy Distribution Group. Giving CBD Global the ability to formulate and manufacturer both CBD and non-CBD products while having the ability to place new products directly into the market

with points of distribution created by Legacy Distribution Group will prove advantageous to the Company and its shareholders. I am confident that the addition to our Company will prove wildly successful and I know they will hit the ground running! "

ABOUT CBD GLOBAL SCIENCES INC.

CBD Global Sciences, Inc., is a hemp-based CBD producer and branding investment vehicle which currently owns two brands, branded under the name Aethics™ (www.aethics.com) and CANNAOIL (www.cannaoilshop.com), which include CBD Oil tinctures (liquid products), CBD capsules, CBD topicals, Hydration products and Confectionary products. CBD Global Sciences hemp-derived CBD extracts are sold through select distributors, brick and mortar retailers, and online.

CBD Global Sciences, through its wholly owned subsidiaries, Global Sciences Holdings and Legacy Distribution Group, (www.legacydistributiongroup.com), is delivering quality CBD products from multiple vendors of CBD infused products and non CBD products throughout the Colorado and Wyoming territories, currently servicing over 400 C-store and large box retailers with expansion plans to exceed 5,000 stores in the next 12-24 months.

For further information, please contact Bruce Nurse, Investor Relations, (888) 401-2239, info@cbdglobalsciences.com

Reader Advisory

This press release should not be considered a comprehensive summary of the proposed terms of the transaction described above. Additional information may be required and may be disseminated at a future date.

The closing of the Acquisition is subject to a number of conditions and there can be no assurance that the closing will occur on the

This news release contains certain "forward-looking information" within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur. In particular, forward-looking information in this press release includes, but is not limited to, statements with respect to timing of closing and the terms of the transaction. Although we believe that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct. We cannot guarantee future results, performance or achievements. Consequently, there is no representation that the actual results achieved will be the same, in whole or in part, as those set out in the forward-looking information.

Forward-looking information is based on the opinions and estimates of management at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking information. Some of the risks and other factors that could cause the results to differ materially from those expressed in the forward-looking information include, but are not limited to: general economic conditions in Canada and globally; industry conditions, including governmental regulation and environmental regulation; failure to obtain industry partner and other third party consents and approvals, if and when required; the availability of capital on acceptable terms; the need to obtain required approvals from regulatory authorities; stock market volatility; liabilities inherent in CBD operations; competition for, among other things, skilled personnel and supplies; incorrect assessments of the value of acquisitions; technical, processing and transportation problems; changes in tax laws and incentive programs; failure to realize the anticipated benefits of acquisitions and dispositions; and the other factors. Readers are cautioned that this list of risk factors should not be construed as exhaustive.

The forward-looking information contained in this news release is expressly qualified by this cautionary statement. We undertake no duty to update any of the forward-looking information to conform such information to actual results or to changes in our expectations except as otherwise required by applicable securities legislation. Readers are cautioned not to place undue reliance on forward-looking information.

The Canadian Securities Exchange has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

Neither the Canadian Securities Exchange nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this release.